

Governor Quinn:

In response to some of your questions to consider, I would like to generically address several of those questions. I believe that Illinois should operate its own Exchange so that the control of the program lies within the state. I believe that each state can manage their own Exchange more efficiently than the Federal government can oversee it. Additionally, I believe the outcomes from an insurance market perspective would be greater preventive care which will decrease health care costs in the long run. Additionally, with a rating system and centralized area to investigate the various plans, it will be a convenient and cost effective way to provide the insurance plans to those that might not seek them out if it were not as convenient. I believe in order to achieve those outcomes that the state should do some screening to assure reputable providers and comparable services for comparison. Insurance policies are often difficult to understand and cumbersome to manage, thus having a simplified centralized process will make the process a bit easier. I think the biggest advantage to somewhat limiting the number of plans is to streamline and screen those available so that individuals can compare comparable products.

In regards to structure and governance, I believe the Exchange should be placed within an existing branch of government so that it does not increase the cost of the government but can have accountability and transparency in its operations. I believe that those appointed to operate the Exchange should have existing knowledge of the health care system and the insurance industry. A nurse or other health care provider would make a good choice to oversee this program. The person should be appointed for an indeterminate amount of time but should have a process of reporting so that accountability is assured.

I personally believe that the government should not dictate to individuals what they should buy or do with a few minor exceptions. I believe that a dual market would give individuals the best of both worlds in that they would have choice and it could increase competition thus driving down costs. I think that the same rules should apply to both the external market and the Exchange so that no one entity has an unfair advantage. I think there should be some limitations on when individuals can enroll and when they can make changes to their policies so that there is not a constant movement between policies.

In my opinion, I believe that the state should operate one Exchange for both individuals and small businesses. This would allow a larger pool of individuals to assist with the stabilization of the risk pool. I would think having one Exchange would also decrease the cost of oversight and provide a more competitive marketplace. I think the definition of small business should be up to 100 employees. That provides the least burden to the employer. I do not think there should be restrictions placed on the participation. Additionally, I believe that larger employee groups should be allowed to participate in the Exchange program. I think that making separate regional Exchanges will just drive up the cost of operation and possibly decrease the pools, destabilizing the risks.

I am not sure how the Federal government can fund this program with the existing deficit. You cannot continue to spend more than you take in; it is just common sense financial accounting. Also, I believe the same is true for the State of Illinois. I believe people value things they pay for themselves. With that

being said, costs have to be within reason. I think the program should be financed by charging reasonable insurance premiums. When individuals have nothing invested, they tend to abuse what is given to them. The potential ramification is that some individuals will not take the insurance if it is not given to them, but there needs to be some consequence for that action, such as the hospitals do not have to write off the cost of their health care and has some mechanism for collecting what would otherwise be a bad debt.

There should be close coordination with the Medicaid program so that when individuals are going off Medicaid, they should be afforded the options available through the Exchange program. This will enhance the continuity of care. Additionally, there should be some incentive for providers to accept both Medicaid and the Exchange provided insurances so that the flow can be seamless and individuals would not have to be switching providers. I think a "Basic Health Plan" could provide a means of continuity of care if the coordination cannot otherwise be established.

Thank you for allowing me to express my views on the implementation of this program.

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